

Message Text

CONFIDENTIAL

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43

ACTION NEA-05

INFO OCT-01 SS-14 ISO-00 NSC-10 NSCE-00 CIAE-00 INR-10

NSAE-00 RSC-01 L-02 EB-03 AID-10 TRSE-00 COME-00

OMB-01 DRC-01 /058 W

----- 084001

R 101055Z DEC 73

FM AMEMBASSY TEL AVIV

TO SECSTATE WASHDC 0819

C O N F I D E N T I A L TEL AVIV 9995

LIMDIS

E. O. 11652: GDS

TAGS: EFIN, IS

SUBJECT: ISRAEL'S FOREIGN EXCHANGE POSITION

REF: A. TEL AVIV 8901; B. TEL AVIV 8926

1. EPHRAIM DAVRATH, ECONOMIC ADVISER TO MINISTER OF FINANCE SAPIR, PROVIDED DEC 7 CONFIDENTIAL DATA ON ISRAEL'S FOREIGN EXCHANGE POSITION AT END OF NOVEMBER. HE SAID TOTAL OF "GROSS" RESERVES WAS \$1,889 MILLION. HE DID NOT PROVIDE COMPOSITION OF THIS FIGURE, BUT THERE IS NO REASON TO BELIEVE THAT BREAKDOWN OF SMALLER FRACTIONS HAS CHANGED FROM REFTELS. ON THIS ASSUMPTION BREAKDOWN WOULD BE: FREE GOLD HELD BY BOI \$46 MILLION, SDR \$34 MILLION, IMF GOLD TRANCHE \$39 MILLION, FOR SUBTOTAL FO \$119 MILLION; LEAVING FOREIGN EXCHANGE HOLDINGS OF \$1,770 MILLION AS REMAINDER. THIS IS ONLY SLIGHT INCREASE OVER END OF OCTOBER. WE CANNOT RECONCILE THIS WITH HIGHLY OPTIMISTIC REPORTS OF CASH RECEIPTS FROM FUND RAISING (TEL AVIV 9627), AND REFER READERS TO REFTELS FOR POSSIBLE EXPLANATIONS.

2. GOI PREFERS TO SUBTRACT FROM SO-CALLED "GROSS" RESERVES FIGURE OF \$119 MILLION FOR FOREIGN RESIDENTS' DEPOSITS. DEPOSITS OF FOREIGN BANKS WERE NIL FOR END OF NOVEMBER. ACCORDINGLY GOI STATES OFFICIAL FOREIGN EXCHANGE RESERVES OF ISRAEL AS
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\$1,770 MILLION AT END OF NOVEMBER.

3. FOREGOING DATA IS CONSIDERED CLASSIFIED BY GOI AND WE SHOULD
HONOR THIS CLASSIFICATION.
KEATING

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NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN EXCHANGE, FOREIGN EXCHANGE DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 10 DEC 1973
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TELAV09995
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: TEL AVIV
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731233/aaaaaygs.tel
Line Count: 65
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: A. TEL AVIV 8901; B. TEL AVIV 8926
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 02 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02-Jan-2002 by shawdg>; APPROVED <16-Jan-2002 by golinofr>
Review Markings:

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30 JUN 2005

Review Media Identifier:
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Subject: ISRAEL'S FOREIGN EXCHANGE POSITION
TAGS: EFIN, IS
To: STATE
Type: TE
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